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A Strategy for Improving Health Care Access, Quality and Affordability in Utah

The current health care system does not consistently delivery high quality care; leaves many citizens without insurance; and with rising costs, places an ever increasing burden on Utah families, business and the overall economy. The system is functioning inefficiently with wasteful and inappropriate spending driving up costs and impeding many citizens' access to care. Recognizing the challenges facing the health care system, Utah Health Insurance Association (UHIA) members have outlined recommendations and strategies for improving quality, expanding access and increasing affordability.

Accessibility

The Current Challenge

While Utahns are more likely to have health benefits than residents of most states, about 250,000 Utah residents will not have health coverage at some point this year. This situation not only imperils the health of uninsured individuals, but drives up costs for the health care system as a whole.

Expanding Access

The uninsured population is not homogenous and consequently, a multi-faceted approach is required to expand insurance coverage. Affordability for both employers and employees is the major barrier preventing the uninsured from receiving coverage. To address this challenge, UHIA supports both public and private initiatives to expand coverage and bolster the public health infrastructure. UHIA recommends:

- To expand coverage to the 108,700 uninsured Utahns who are eligible for but not enrolled in Medicaid and CHIP programs, **direct more Medicaid funding to awareness and outreach campaigns; contain Medicaid drug costs with a Preferred Drug List.**
- To expand coverage to the 9,000 uninsured Utahns with high health costs, **establish a broad-based funding mechanism for, and clear oversight of, the Utah Health Insurance Pool (state high-risk pool).**
- To expand coverage to the 5,300 uninsured Utahns who are between jobs, **subsidize debt financing and create bridge loans to help workers maintain their coverage when they become temporarily unemployed.**
- To expand coverage to the 33,500 uninsured Utahns with households with incomes under 200% of the poverty level who have a family member employed full time and the additional 29,000 who have a family member employed part time, **provide tax credits for individuals and families and provide tax relief for small employers who offer health insurance to their employees.**
- To expand coverage to the 5,300 uninsured young adult Utahns, **encourage younger Utahns to seek and maintain health coverage.**
- To expand coverage to uninsured Utahns living below the poverty line, **provide access through public programs; explore funding state medical clinics in areas with a high rate of uninsured individuals.**
- To expand coverage to uninsured Utahns living near the poverty line, **provide access through public financing of private health coverage for Utahns living near poverty.**
- To expand coverage to the 14,000 uninsured Utahns with higher incomes (\$85,000 and higher), **use tax incentives to promote broader coverage among higher income workers without insurance.**



Quality

The Current Challenge

In its' landmark study, *Crossing the Quality Chasm*, the Institute of Medicine (IOM) reported that many patients consistently fail to receive high quality or appropriate care. A RAND study similarly concluded that only 55% of patients receive treatments determined to be the "best practices" for addressing their medical conditions. In our current system, there is a gap between what science recommends and what actually happens in the delivery of health care.

Closing the Gap

To improve the quality of health care, we must make "evidence-based" medicine the "gold standard." UHIA's initiatives for improving quality are designed to establish a system that creates uniform standards for quality, aligns financial incentives with the delivery of evidence-based care and promotes transparency to enable consumers to make more informed decisions. To meet these ends, UHIA supports:

IN UTAH:

- Requiring state medical reviews to use evidence-based medicine in their decisions.
- Making evidence-based medicine the basis of judicial and administrative proceedings and promoting a legal environment that encourages rather than inhibits the collection and reporting of quality information.

AT THE FEDERAL LEVEL:

- Investing in research that compares the clinical effectiveness of existing and new treatments and puts clinical research into everyday medical practice.
- Creating common mechanisms for identifying and publicly reporting "gold-standard" practices.
- Improving the process of assessing the safety and effectiveness of prescription drugs, medical devices, procedures and other technologies.
- Making research findings more accessible and user-friendly to increase transparency and arm consumers with more complete information.
- Rewarding health plans (and their enrollees) that implement pay for performance programs.
- Establishing a process to critically evaluate the value of legislative mandates.

Affordability

The Current Challenge

Since 2000, health care spending has increased from 13.3% to 15% of the national economy. The Department of Health and Human Services reported that in January 2004, health care spending in the United States rose to a total of \$1.55 trillion – an average of \$5,440 per person in the United States. On average, Utahns spend less on health care than people in other states. But affordability remains a pressing issue for families and the employers that provide health benefits.

Containing Costs

The strategies outlined to improve quality and expand access will make significant inroads to decreasing the cost of health care. If evidence-based medicine is practiced and performance based payment programs are implemented, the health care system will stop wasting money on ineffective and inappropriate treatments. To improve the efficiency of the health care system, UHIA supports the following:



- Supporting the principle of transparency of costs in legislation and regulation, including cost-benefit analysis of proposed mandates and other requirements.
- Promoting evidence-based medicine to ensure safe and effective care.
- Rewarding quality performance programs.
- Advocating for state and federal liability reform to curb the practice of "defensive medicine."
- Reforming the regulatory framework to eliminate overlapping state and federal requirements that drive up costs.
- Supporting strong enforcement of anti-trust laws to ensure that the health care market functions competitively.
- Supporting adequate funding for public programs.
- Supporting the principle of transparency of costs to provide consumers with the information required to make rational and informed decisions for health care services.
- Encouraging health and wellness.
- Supporting incentives to promote broader access to and purchase of health insurance.
- Expanding tools and techniques that have been successful in keeping health care affordable.

Collectively, these initiatives provide a road map for advancing high quality, patient-centered, affordable health care for all Utahns.

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